IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA NORFOLK DIVISION

| CENTRIPETAL NETWORKS, LLC, |) |
|----------------------------|--------------------------------|
| Plaintiff, |) No. 2:21-cv-00137-EWH-LRL |
| v. |) |
| PALO ALTO NETWORKS, INC., |) |
| Defendant. |) |
| |)) |

MEMORANDUM IN SUPPORT OF JOINT MOTION TO BIFURCATE POST-JUDGMENT MOTIONS RELATED TO ATTORNEYS' FEES AND NONTAXABLE COSTS

Plaintiff Centripetal Networks, LLC ("Centripetal") and Defendant Palo Alto Networks, Inc. ("PAN") (together, "the Parties") submit this Memorandum in Support of the Joint Motion to Bifurcate Post-Judgment Motions Related to Attorneys' Fees and Nontaxable Costs. In support of the joint motion, the parties state as follows:

- 1. On January 31, 2024, the jury returned a verdict finding all asserted claims of the Asserted Patents infringed and awarding damages in the form of a lump sum royalty for the life of the Asserted Patents. Dkt. No. 851.
- 2. Following the Jury Verdict, the Court delayed entry of judgment pending resolution of post-trial motions to be filed by PAN. Dkt. No. 871 (2024-01-31 Trial Transcript) at 1988:2-15; Dkt. No. 858 (Order Granting Delay of Entry of Judgment).
- 3. On February 28, 2024, PAN filed a Motion for Judgment as a Matter of Law (Dkt. No. 900) and a Motion for New Trial (Dkt. No. 906).

- 4. On October 3, 2024, the Court denied PAN's Motion for New Trial, denied in part PAN's Motion for Judgment as a Matter of Law and entered its Final Judgment against PAN. Dkt No. 970 (Memorandum Opinion); Dkt. No. 972 (Final Judgment).
- 5. Pursuant to 35 U.S.C. § 285 and Federal Rule of Civil Procedure 54(d)(2), Centripetal intends to file a Motion for Attorneys' Fees and Nontaxable Costs ("Motion for Attorneys' Fees"), among other motions, on October 17, 2024.
- 6. Since the entry of the Final Judgment, the parties have conferred and PAN indicated it will oppose Centripetal's Motion for Attorneys' Fees. The parties have, however, agreed that it will be more efficient and serve the interest of judicial economy to resolve any dispute over the amount of fees and nontaxable costs (if any) after the Court has issued a ruling determining whether this is an exceptional case.
- 7. The parties agree to bifurcate Centripetal's Motion for Attorneys' Fees and Nontaxable Costs as follows:
 - a. On October 17, 2024, Centripetal shall move the Court for an exceptional case finding and the Parties shall brief that issue pursuant to this Court's standard briefing schedule.
 - b. Following the Court's ruling on Centripetal's motion, if the Court issues an exceptional case finding, the parties will submit briefings and exhibits regarding actual reasonable attorneys' fees and nontaxable costs requested.
- 8. Pursuant to Federal Rule of Civil Procedure 54(d)(2)(C), "[t]he court may decide issues of liability for fees before receiving submissions on the value of services." Indeed, this Court has granted bifurcation of motions for attorneys' fees and nontaxable costs, allowing parties to address the actual amount of attorneys' fees and costs after the Court has first ruled on

the merits of the underlying motion. *See, e.g.*, Ex. 1, *Trustees of Columbia Univ. v.*NortonLifeLock, Inc., No. 3:13cv808, Dkt. No. 1238, Order at 1-2 (E.D. Va. June 3, 2022).

WHEREFORE, the parties respectfully request that the Court enter the proposed Order submitted herewith providing that the post-judgment Motion for Attorneys' Fees and Nontaxable Costs filed on October 17, 2024, need not address the specific amount or reasonableness of attorneys' fees or nontaxable costs, which issues will be addressed at a later time to be established by the Court, if necessary, after it issues its determination of whether this is an exceptional case.

Respectfully submitted,

Dated: October 17, 2024 By: /s/ Stephen E. Noona

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CERTIFICATE OF SERVICE

I hereby certify that on October 17, 2024, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will automatically send notification of electronic filing to all counsel of record.

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